

AMENDED IN ASSEMBLY AUGUST 12, 2008

SENATE BILL

No. 1042

**Introduced by ~~Committee on Revenue and Taxation (Oropeza~~
~~(Chair), Alquist, Cogdill, Harman, Machado, Runner, Scott, and~~
~~Wiggins)~~ *Senator Oropeza*
(Principal coauthor: Assembly Member Lieu)**

March 14, 2007

~~An act to amend Sections 75.52, 2504, 2613, 2781, 2782, 3362, 3372, and 3691 of the Revenue and Taxation Code, relating to taxation. An act to add Section 6880 to the Public Resources Code, relating to oil and gas leases.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1042, as amended, ~~Committee on Revenue and Taxation Oropeza.~~
~~Property taxation. Oil and gas leases: damages.~~

Existing law regulates oil and gas leases on public lands.

This bill would preclude liability of a public entity for damages for any lost profits with respect to an oil and gas lease on land located in a coastal zone beyond the date of enactment of a valid initiative that invalidates the oil and gas lease.

The bill would specify that its provisions apply to contracts entered into before, on, or after its effective date, and to causes of action that accrued prior to its effective date, except as specified.

~~(1) Existing law imposes penalties upon taxpayers that pay their property taxes after specified delinquency dates. Existing law requires a property tax penalty to be canceled when the reason for the delinquency is that the property tax bill was sent to the wrong address, and authorizes county officials to cancel property tax penalties in other~~

circumstances. Existing law provides for a supplemental property tax roll for property tax assessments made after the property tax lien date.

~~This bill would specify that these provisions relating to canceling penalties also apply to penalties imposed as a result of delinquent payments for assessments on the supplemental property tax roll.~~

~~(2) Existing law defines the term negotiable paper, which includes bank checks, drafts, and express and post office money orders, for purposes of payment of any tax or assessment, or on a redemption.~~

~~This bill would instead limit the term negotiable paper to include checks, drafts, and money orders.~~

~~(3) Existing law requires all taxes on the secured roll to be paid at the tax collector's office and authorizes the board of supervisors to order that the taxes be collected in any other or additional location within that county.~~

~~This bill would instead require that all taxes be paid at the tax collector's office and would authorize the board of supervisors to order that the taxes be collected in any other or additional location, regardless of whether that other or additional location is within the county.~~

~~(4) Existing law requires a county to return a replicated tax payment to the tendering party within 60 days following the receipt or the replicated payment. If that replicated payment is not returned to the tendering party within 60 days following the receipt of the replicated payment, the county is required to pay interest at a specified rate, for the period beginning 60 days after the county receives the replicated payment to the date the replicated payment is returned to the tendering party.~~

~~This bill would instead require a county to return a replicated payment to the tendering party within 60 days of the date the payment becomes final. This bill would also require the interest to be computed for the period beginning 60 days after the replicated payment becomes final to the date the replicated payment is returned to the tendering party.~~

~~(5) Existing law requires a tax collector to attempt to sell property that has become tax defaulted 5 years or more after that property has become tax defaulted, or 3 years or more after the property becomes tax defaulted in the case of nonresidential commercial property, as defined, unless a county elects to instead have the 5-year period apply to nonresidential commercial property. Existing law requires the tax collector to provide a notice to taxpayers whose property is tax-defaulted, and requires that this notice specify the amount of taxes originally declared in default. In the case of an intended sale of~~

~~nonresidential commercial property, existing law requires the tax collector to notify specified parties at least 90 days before an intended sale or at least 90 days before the date upon which the property may be sold.~~

~~This bill would instead require the tax collector to notify taxpayers whose property is tax-defaulted of the amount necessary to redeem the property as of the date of the notice rather than the amount of taxes originally declared in default. This bill would also require the tax collector, in the case of an intended sale of nonresidential commercial property, to notify the specified parties not less than 45 days, but not more than 120 days before, either the intended sale date or the date upon which the property may be sold.~~

~~(6) By changing the manner in which county officials administer tax-defaulted property notices and property tax refunds, this bill would impose a state-mandated local program.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.~~

~~Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes/no.~~

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 6880 is added to the Public Resources
- 2 Code, to read:
- 3 6880. (a) Notwithstanding any other provision of law, a public
- 4 entity is not liable for damages for any lost profits with respect to
- 5 an oil and gas lease on land located in a coastal zone, as defined
- 6 in Section 30103, beyond the date of the enactment of a valid
- 7 initiative that invalidates the oil and gas lease.
- 8 (b) This section applies to contracts entered into before, on, or
- 9 after its effective date, and to causes of action that accrued prior
- 10 to its effective date, except that it shall not apply to a case that has
- 11 been adjudicated to a final judgment.

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**All matter omitted in this version of the bill
appears in the bill as introduced in Senate,
March 14, 2007 (JR11)**

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